# MAYOR AGAINST ELSBERG BILL

*CITY'S FINANCES DON'T WARRANT MUNICIPAL OWNERSHIP.*

**Objects Also to Legislation Which Would Compel the City to Own and Operate Subways—Wants More Power of Supervision Over Existing Transit Lines.**

Mayor McClellan sent yesterday to Horace White, chairman of the Senate Cities Committee, a letter giving his reasons for opposing the Elsberg Rapid Transit bill. The letter follows:

As I understand it, the basic feature of the proposed legislation, which has been present in the Elsberg rapid transit bill in every form which it has taken, is the repeal of the provision of the rapid transit act which requires that no rapid transit line shall be constructed except under a contract which provides not only for its construction, but for its equipment and operation.

Stated in other words, the proposition is that the Rapid Transit Commission shall be relieved from its present disability of not being able to use the funds of the city for the construction of a new rapid transit line until it has secured a tenant who is willing to equip and operate it upon terms acceptable to the city.

Equally important is the question whether the Rapid Transit Commission, having been relieved from the disability above mentioned, should be free, acting with the approval of the Board of Estimate and Apportionment, to determine in each case as it arises whether the same contract shall provide for the construction, equipment and operation of a new subway line or whether the separation of the contract for equipment and operation from the contract for construction shall be compulsory.

The advocates of the latter view apparently concede that its adoption by the Legislature will almost inevitably lead to the municipal operation of rapid transit lines; indeed, that ultimate result seems to be the chief object which they have in view in advocating what may be termed the extreme form of the Elsberg bill. The discussion of this legislation, accordingly, involves the subject of municipal operation in its most concrete form.

I am in favor of all legislation which increases the powers of the local authorities, which, in other words, extends the principle of home rule. I am opposed to all legislation which either directly or indirectly seeks to limit the powers of the local authorities.

I am in favor of legislation which permits the city to resort to municipal operation of rapid transit lines in case of need. I am opposed to legislation intended to compel the city to embark upon municipal operation.

I do not favor extending the field of the municipal operation of public utilities in New York city, except in cases where private capital will not meet the reasonable needs of the people of the city upon fair terms. I accordingly regard as objectionable legislation which either compels the city to engage in the municipal operation of rapid transit lines, or which so hampers the public authorities in securing the investment of private capital in rapid transit lines that municipal operation will become the only practical means of meeting the city's needs for additional rapid transit facilities.

The city is not financially in a position to enter upon a policy of municipal operation. While there seems to be a wide difference of opinion as to the amount of money which the city could expend in the next few years for purposes of rapid transit, without exceeding the present constitutional debt limit, one thing is certain, that any investment of the city's funds in municipally operated subways would practically exhaust the city's borrowing capacity, and leave the city without adequate funds for many other improvements which are imperatively needed.

It is urged by the advocates of municipal operation of rapid transit lines that the constitution should be amended so that the city's obligations issued for rapid transit purposes should not count against the debt limit. Regarding that suggestion, it is sufficient to say that it is the duty of the present administration of the city to make its plans with a view to the existing limitations upon the city's borrowing capacity, and that the question affecting the city's credit involved in any proposition for a constitutional amendment radically increasing the city's borrowing power, are too important to be decided without the fullest public discussion of the possible consequences of such a step.

The objections against legislation compelling the municipal operation of rapid transit lines exist with almost equal force against amendments to the Rapid Transit Act, which would place such limitation upon the powers of the Rapid Transit Commission and the Board of Estimate and Apportionment with respect to the terms of leases and other features of contracts made under the Rapid Transit Act, that it would be difficult, if not impossible, to secure an adequate extension of the city's rapid transit facilities by means of private capital. The Rapid Transit Commission and the Board of Estimate and Apportionment should have substantially the same liberty of action with respect to the terms of contracts as is conferred by the present law, to the end that in the case of each proposed new rapid transit line they may fix such terms as may be necessary to secure its construction and operation by private capital with dueregard to the protection of the interests of the city.

Too sharp a limitation upon the maximum duration of operating leases of new rapid transit lines might make it impossible to secure any additional rapid transit lines, especially in the outlying and less thickly populated portions of the city in which rapid transit lines, while imperatively needed by the residents of those districts, would not yield so large a revenue as lines in the more densely populated portions of the city. The city authorities should be free to deal with each situation as it arises and to vary the terms of the contracts in accordance with the requirements of each case.

All recognize that additional rapid transit facilities are urgently needed. Whether they can be secured upon fair terms to the city by means of private capital can soon be ascertained if the Rapid Transit Commission is allowed to continue the efforts which it now has in hand, while to abandon those efforts at this time and embark upon the experiment of constructing subways for municipal operation would almost certainly postpone the day of relief for several years.

Having pointed out some of my reasons for believing that the city should not be placed in a position which would compel it to resort to municipal operation of rapid transit lines, I wish to say that I am heartily in favor of legislation which would confer upon the city the power to construct additional rapid transit lines on its own account, and to provide for their operation either by short term leases or even by direct municipal operation, in case it is found impossible to secure the construction and operation of necessary rapid transit lines by private capital upon terms which are fair to the city.

The city should not be left to the mercy of the corporations which control the existing elevated, surface and subway lines of the city, nor to the mercy of private capital in any other form. I firmly believe that if the city is given the power to equip and operate rapid transit lines in case other means fail private capital will be forthcoming for the construction and operation of the needed extension of our rapid transit facilities upon terms which will be advantageous to the city and which in the end will yield the city greater revenue than could be secured from municipal operation. In this connection it must be remembered that any rapid transit lines constructed under the Rapid Transit act must be constructed for and owned by the city and that the contract of their operation by private corporations must be limited to a term of years and provide ample safeguards for the protection of the city during the period of the lease.

An excellent illustration of the efficacy of municipal operation used as a weapon against corporate aggression is furnished by the recent experience of the city in dealing with the gas and electric light companies. Within a few months after the city planned to erect a municipal lighting plant the corporations which for years had imposed their own terms upon the city reversed their attitude and offered to do the municipal lighting at prices which a few years before would have been treated almost as a public benefaction.

I have confined myself to the discussion of the underlying principles involved in the pending Rapid Transit legislation and have purposely avoided a number of important subsidiary questions, the consideration of which more properly falls upon the law officer of the city. I may add, however, that I am heartily in favor of such legislation as will permit, whenever the streets are opened for the construction of additional subway lines, the construction of underground conduits and pipe galleries. Such conduits and pipe galleries should, however, be under the jurisdiction not of the Rapid Transit Commission, but of the proper department of the city government.

I take this opportunity of again reverting to the propriety of a change in the constitution of the Rapid Transit Commission as now organized. It is a self-perpetuating body, acting independently of the city administration, and, as such, is contrary to our ideas of municipal government. Fortunately for the city the members of the board from the outset have been chosen from our ablest and most public spirited citizens, and no words of mine are needed to express the public commendation of the members of the board for the fidelity and ability with which they have discharged their duties. While I believe that the present members of the board should be permitted to continue in office, so that the city may have the benefit of their wisdom and experience in dealing with the grave problems now pending before them, I suggest that after some date in the future, say January 1, 1910, every vacancy among the members of the board who are not officers of the city should be filled by appointment by the Mayor.

The terms of office of the members of the board who are not officers of the city should be of long duration and for varying periods, so that but one member should be appointed every two years. In this way the commission would retain its present qualities of non-partisanship, independence and immunity from any sudden change in its personnel, while at the same time it would be a branch of the city government, and as such directly responsible to the people of the city.

I also believe that the Legislature should confer upon the city government enlarged powers of dealing with and regulating the corporations operating elevated, surface and the underground lines within its limits. Not only is the control over these corporations now vested in the public authorities entirely inadequate, but the present division of power between the local authorities and the State Railroad Commission is each year becoming more unsatisfactory to the people of the city. All powers of regulation and control in respect of these corporations which the Legislature is willing to confer upon public authorities should be concentrated either in the Rapid Transit Commission and the Board of Estimate and Apportionment, or in a special board or officer of the city government constituted for the purpose.

## *TO PROBE STATE DEPARTMENTS*

**Minority Leader Palmer Introduces a Resolution for Investigations.**

ALBANY, Feb. 26.—Assemblyman George M. Palmer, the minority leader in the lower house, to-night introduced a resolution providing for an investigation of all State departments and bureaus, but the main purpose is for an investigation of the Insurance Department. Mr. Palmer said there is bound to be an investigation of the State Banking Department, no matter how reluctantly it is undertaken, and added:

"Just so surely there must be and will be a like investigation of the State Insurance Department. The people will not be satisfied with the substitution of a new figurehead in place of the present Superintendent, while 'the lid' is left tightly in place so that the workings of 'the system' may now be exposed to public view.

"It is the duty of the Legislature to order a searching investigation of the Insurance Deparment and particularly to trace the connection, if any, between insurance contributions to the Republican campaign fund and favors granted by the Insurance Department. It is not the retiring Superintendent personally so much as the whole Insurance Department, which stands discredited before the State and nation, and there is need of a thorough investigation in order to make intelligent information of methods and usages. The State Railroad Commission, State Tax Commission, State Gas Commission, certain bureaus of the State Comptroller's office, are among the other branches of the State Government which at the present time are largely discredited in the eyes of the public."

## *MORE MUNICIPAL OWNERSHIP.*

**Bill Providing for the Acquisition of Any or All Ferries in This City.**

ALBANY, Feb. 26.—Senator Cooper (Rep., Brooklyn) to-night introduced a bill, which he says is favored by City Comptroller Metz, which provides for the municipal ownership and operation of ferries between Manhattan and Brooklyn. The bill amends the New York city Charter by providing for the acquisition and operation by the city of any ferry "which is or is to be operated or run between the borough of Manhattan and the borough of Brooklyn or the boroughs of Richmond, or between the borough of Brooklyn and Richmond, or for terminal facilities or bridges thereto upon the waterfront of the borough of Richmond or upon the waterfront of the borough of Brooklyn and upon the waterfront of the borough of Manhattan on the East River." An exception as follows is made to the acquisition of such ferries:

"Provided such lands, uplands, rights, terms or privileges or real or personal property are not used by railroad corporations in the operation between said boroughs of a ferry as part of its plant for the transportation between said boroughs of passengers, traffic or freight in connection with its railroad operations in any of such boroughs."

## *A CHANCE FOR HEARST.*

**It Is Asserted the Attorney-General Can Have the Mayoralty Ballots Counted.**

ALBANY, Feb. 26.—It is said that if William Randolph Hearst is anxious to attempt to prove that he was defrauded of election as Mayor last fall, he can do so without recourse to the Legislature. He can make a complaint to the Attorney-General, who, it is asserted, can bring a criminal action and despite the decision of the Court of Appeals, the ballot boxes can be brought into court and the ballots counted. Whether this is true or not remains to be seen, but at any rate Assemblyman Percy Hooker (Rep.) of Genesee, to-night introduced the following resolution bearing on the subject:

*Resolved*, That the Attorney-General be requested to inform the Assembly whether, in his opinion, in an action brought in accordance with Chapter 16 of the Code of Civil Procedure, the ballot boxes containing the ballots cast at the last election in New York city can be opened and the ballots recounted, and whether the said William R. Hearst or any candidate upon the said Municipal Ownership ticket has made complaint to him or requested that he commence such action.

## *CHEAPER GAS IN THE BRONX.*

**State Commission Fixes Orders Fixing the Price at 80 and 85 Cents.**

ALBANY, Feb. 26.—The Gas and Electricity Commision to-day filed orders of the complaints against the Northern Union Gas Company and the Central Union Gas Company, both of the Borough of The Bronx, New York city, fixing the maximum price for gas which shall be charged by the Central Union Gas Company at 80 cents per 1,000 cubic feet and the maximum price which shall be charged by the Northern Union Gas Company, which covers practically the Twenty-third ward, at 85 cents per 1,000 cubic feet. These orders take effect May 1. The order fixing the price at 80 cents for the Borough of Manhattan was made on Friday last.

# SCOPE OF THE COMMERCE LAW

*IMPORTANT DECISION BY THE U. S. SUPREME COURT.*

**Reverses the Order of the Interstate Commerce Commission as to What Constitutes Illegal Pooling and Affirms the Practice of Joint Tariffs.**

WASHINGTON, Feb. 26.—The Supreme Court to-day handed down another decision on the scope of the Interstate Commerce law, reversing the order of the Interstate Commerce Commission as to what constituted illegal pooling of freight traffic and giving a more liberal construction of the law as applied to joint traffic arrangements. Incidentally it construed the question as to the right of an initial carrier to agree to transport merchandise beyond its own lines upon almost any terms that did not actually violate the law and said these terms included the right to determine to what road the merchandise should be delivered. Altogether the decision is regarded as an affirmation of the modern practice of joint tariffs as a lesser evil than the encouragement of rebating.

The case at bar was first brought about five years go by the California Citrus Fruit Growers' Association against the Southern Pacific and Atchison roads, which handled virtually all of the fruit traffic and then included the matters of icing charges and rebates. Afterward other roads were made parties to the complaint that there existed a pooling arrangement among roads leading to the Atlantic seaboard, under which the fruit traffic was apportioned among the 153 roads party to it, and by which the joint rates for all were fixed.

The principal grievance was not as to rates but that shippers were not allowed to name the roads over which the fruit should go, it sometimes, pursuant to the agreement, being sent by round about routes, resulting in delay and consequent loss.

The Interstate Commerce Commission adjusted the question of refrigerator charges, but the roads declined to obey its order to cease compulsory routing, and the case was carried to the Federal Circuit Court in California on the ground that the rate and traffic agreements were in violation of the anti-pooling provisions of the interstate commerce law. That court affirmed the order against routing, but on another ground, that its result was undue preference and prejudice, prohibited by section 3 of the act.

The decision of the court to-day, delivered by Justice Peckham, was by a unanimous bench. It said:

It was clearly shown that if the Eastern roads, party to the agreement, should give rebates on the joint through rate tariff, thereby carrying freight below the rate fixed, that road would not get the freight. We see nothing in the initial carrier endeavoring to maintain the rates agreed upon as a through rate tariff and thereby preventing the payment of rebates, which in itself is a violation of the act. The act especially prohibited any alteration of the rates agreed upon in favor of any person or persons. There is no finding that there has been in fact, as a result of the rule, any discrimination between the initial carrier and the shippers themselves, and there is no evidence that any was ever practised.

In the examination of the rule it is well to bear in mind the situation of the companies and the business at the time of its adoption, which is fully set forth in the statement of facts. The payment of the rebates was a shame, and was, in truth, unsatisfactory to all the railroads, besides being plainly a violation of the commerce act. We think there is nothing in the act which clearly prohibits the roads from adopting the rule in question. The decision turns upon the construction of a statute which at least does not in terms prohibit.

The evidence shows that the traffic was fairly apportioned among the Eastern roads; that it went by the shortest routes and that no shipper was denied the privilege of routing. Neither did it appear that the mere existence of the right of the company to route ended the practice of rebating. The opportunity to obtain rebates on the part of the shipper, however, was surely not a ground for action by the commission, or by the court. Of course, if in attempting to cut off rebates there was a violation of the act, the act must be followed, and means of prohibiting them must be abandoned. The rule, however, did not violate the statute.

It is conceded that the different roads, forming a continuous line of road, were free to adopt or refuse to adopt joint through tariff rates, and it is equally plain that an initial carrier might agree upon joint through rates with one or several connecting carriers, who between each other might be regarded as competing roads. So also is it true that the common carrier need not contract to carry beyond its own line, but may there deliver to the next succeeding carrier, and thus end its responsibility and charge its local rate for transportation. If it agreed to transport beyond its own line, it might do so by such line as it chose. As it was not bound to make a through contract, it could do so on such terms as it might agree, at least so long as they were reasonable and did not otherwise violate the law. In this case the initial carrier guaranteed the through rate, but only on condition that it had the routing. Having this right to agree on a joint through tariff on terms mutually satisfactory, we cannot find anything in the commerce act which forbids the agreement with such a condition therein as to routing.

As to the finding that the agreement was in violation of the pooling clause, because it destroyed competition, and that the routing was a means of effecting a division of the tonnage, Justice Peckham said:

The court is of opinion that the arrangement for routing was to break up rebating and that it had been accomplished. The evidence shows that the Eastern roads had gone into it because, they were satisfied that it would be better than the then existing system of rebating, and that under it they would get their fair share of the business. The testimony shows that not one of the Eastern roads knew the percentage of the traffic which it received, and altogether the tonnage pool was a myth.

The various roads party to the agreement are not competing roads within the meaning of the fifth section of the commerce act. Prior to its adoption there were through traffic rates in use which practically did away with competition, for under it the only way rate competition could exist was by violating the rebate law. This, unfortunately, was often done, and during that time the competition consisted in a rivalry between these roads as to which would be the greatest violator of the law by giving the greatest rebate. In truth, the only way these connecting roads could legally become competing roads for the fruit trade would be in the absence of all joint traffic rate agreements. The moment they made such agreements and carried them out rate competition would cease.

In such case we do not see any violation of the pooling section of the act by putting in the agreement for joint through rates the provision for routing by the initial carrier. It achieved its purpose and stoppped rebating, although it thereby also stopped rate competition, which, in the presence of the through rate tariff, was already illegal.

The effort to maintain the published through joint tariff rates is entirely commendable. We do think that the agreement in question, upon its face, does not violate any provision of the commerce act, and there is no evidence in the case which shows that in fact there has been any such violation.

## *ELEVENTH AV. BILL ADVANCED.*

**Senator Saxe Has the Assembly Bill Substituted for His in the Senate.**

ALBANY, Feb. 26.—In the State Senate to-night Senator Saxe had advanced to a third reading, by substitution for his similar bill in that order of business, Assemblyman Stanley's bill, which passed the Assembly last week and which provides that the New York Central and Hudson River Railroad Company shall place its freight tracks on Eleventh avenue in New York city in a subway forthwith at its own expense.

The substitution was made without objection or comment from a single Senator, despite the fact that every member of the Senate before that body met to-night received a communication from Ira A. Place, the general counsel of the railroad company, protesting against the Saxe-Stanley bill and enclosing a substitute measure. In moving to advance the Stanley bill Senator Saxe said he was the originator of the measure, that it was his pet bill and was largely responsible for his election as Senator. He declared that Comptroller Metz was opposed to the railroad's substitute bill because it provided that the city should bear a portion of the expense of depressing the tracks and read a letter to that effect from the Comptroller.

The bill provides that within three months the railroad company shall submit plans for the change to the Board of Estimate and Apportionment. This board is to approve or propose counter plans within three months thereafter. If the board and the railroad company do not then agree within two months, the next Legislature is to be asked to settle the controversy. It is further provided that the work shall be completed within three years after the railroad and the city authorities agree upon a plan, and the city Comptroller is authorized to issue bonds to meet any expense of the improvement which the city s to pay.

Senator Saxe is to push the Stanley bill as though the railroad's substitute measure had not made its appearance here. The Saxe bill passed the Senate last year and was killed in the Assembly Committee on Rules during the closing days of the session. Then the railroad company said it would have complete plans for the change ready before the Legislature met this year. But to-night was the first time it attempted to keep its promise, with the session half over and the Saxe-Stanley bill within a day of being sent to Gov. Higgins for his approval.

## *BARGE CANAL WORK.*

**Proposed Change of Level Between Lockport and Tonawanda.**

ALBANY, Feb. 26.—The $101,000,000 barge canal engineers advisory board in its annual report to the Legislature says that it has under consideration a most important proposition which will involve the change of level of eighteen miles of the barge canal from Lockport to Tonawanda. The report says:

"The board has been considering the advisability of lowering the level of the canal for a distance of eighteen miles on the Lockport and Tonawanda level, thus eliminating the present dam at Tonawanda and permittng vessels to pass from the Niagara River to Lockport before encountering a lock.

"This level can be lowered six feet for the additional cost of $80,000. In case the plan is finally adopted it will permit of using that portion of the Niagara River and the land fronting on it from Tonawanda to the sloop lock at Buffalo, a distance of nine miles, for harbor and terminal purposes, making one of the best harbors, if not the best, on the chain of the interior lakes."

It is pointed out that the improvement will save the State much money from the annual overflow of land, and likewise increase the value of 50,000 acres of farm land. The matter of terminals at the port of New York will be taken up later.

The board reports that plans for the improvement of 177 miles of canal will be completed by September 1 next, so that if deemed advisable there then can be placed under contract upward of 200 miles of canal, covering more than one-half of the cost of the entire canal and also one-half of the entire length. Contracts are already under way for twenty-four miles of improved canal at a cost of $2,100,000. The plans which will have been completed by September 1 next are for the following work:

Fort Edward to Whitehall, 22 miles, estimated cost, $5,500,000; Rexford's Flats to Cohoes, 15 miles, $3,300,000; Schenectady to St. Johnsville, 47 miles, with eight locks and dams, $10,000,000; Oriskany to Contract No. 4, 16 miles, $5,000,000; Contract No. 12, 12 miles, $2,000,000; Fulton to Minetto, 5 miles, $1,300,000; Phœnix to Fulton, 3 miles, $500,000; Three River Point to Contract No. 5, 33 miles, $3,300,000; Pittsford to Contract No. 6, 6 miles, $4,000,000; Tonawanda to Lockport, 18 miles, $4,000,000.

**Bills Signed by Gov. Higgins.**

ALBANY, Feb. 26.—Gov. Higgins to-day signed the following laws:

Mr. Hooker's, providing that the Board of Trustees of Mount Morris shall make the annual assessment of property and abolishing the office of assessor in that village.

Mr. Schoeneck's, amending the charter of the University of Syracuse by removing the limitation of its endowment fund.

Senator Gates's, providing for the organization of a field hospital to be attached to the headquarters of the National Guard to consist of one surgeon with the rank of major, three assistant surgeons, six field hospital sergeants, eight corporals, thirty privates, one musician and one cook.





# SUPPOSED DYNAMITERS HELD.

*MORAN UNDER SUSPICION OF OUTRAGES IN JERSEY.*

**His Bail Fixed at $4,000 and That of the Others at $3,000—Mayor Fagan and Chief Murphy Take a Look at Him—Bingham to Look Into Police Charges**

The three supposed dynamiters, Moran, Weir and Guthrie, who were arrested on Saturday night for attempting to blow up the unfinished stone and steel building at 314 East Twenty-third street, a Post & McCord job, were brought before Magistrate Moss in the Yorkville police court yesterday afternoon and held for examination on Friday morning.

Moran, who is known to be one of the old Sam Parks gang, and who has been implicated in several outrages peculiar to the "entertainment committee," was held in $4,000 bail on three charges, conspiracy with intent to blow up a building, attempted felonious assault on Detective Jackson and carrying concealed weapons.

Guthrie was charged with conspiracy and with having dynamite in his possession. Weir was charged with conspiracy. The two last named were held in $3,000 bail and all were taken to the prison attached to the Yorkville court.

Moran, who is a heavily built, muscular man, was the spokesman for the prisoners. He asked that they be sent to the Tombs pending the hearing but the Magistrate denied the request and they were marched to cells below, no bondsmen appearing. Moran said that counsel would be retained for them before the day set for the examination. The other prisoners had nothing to say beyond pleading not guilty. Assistant District Attorney Pinchot was there to press the complaint.

While in court the iron workers were surrounded by a squad of Headquarters detectives, one of whom, Richard L. Jackson, made the affidavits on which they were held. Weir's face looked as though he had had an encounter with a trolley car. The marks around his nose and eyes were accounted for by the fact that he had resisted arrest. Guthrie is a small, youthful looking chap with long light hair. He is said to have worked for Post & McCord directly after the strike was declared by the housesmiths' union and to have been induced to leave the job by union pickets.

The officers of the Building Trades Employers Association are convinced that Moran is and has been for a long time one of the leaders of the "physical force" coterie of the iron workers' union. His record has been looked up thoroughly and it is declared that evidence of his part in many outrages will be produced when he is called to trial.

Chief of Police Murphy of Jersey City visited Mulberry street headquarters yesterday and looked the prisoners over. He was sure that Moran was the man wanted for slugging a non-union iron worker in Bergen county. This man is now lying at the point of death in the hospital here, the blow having fractured his skull, and Moran is under $1,500 bail for the assault. Moran is also suspected of having been concerned in the blowing up with dynamite of the Pennsylvania Railroad bridge across the meadows near Newark.

"The Moran they have here is of the same name and address as the Moran we want," said Chief Murphy. "That is all I have to say about the case just now."

Ex-Mayor Fagan of Hoboken, who had some trouble with the iron workers' union on a building he was putting up, also came over to look at Moran. An attempt was made to blow up the building. Mr. Fagan had nothing to say about Moran when he was leaving Headquarters.

The statement by one of the members of the employers' association practically accusing the police of being in sympathy with the strikers caused a stir in Mulberry street yesterday.

"Have you any comment to make on this statement?" Commissioner Bingham was asked.

"No," he replied seriously, "only that the matter will be very, very carefully gone into."

The dynamite which the prisoners had in their possession on Saturday night was sent yesterday to Supt. George Murray of the Bureau of Combustibles. There were two packages, the combined weight of which was something over thirteen pounds. One package had been buried by the prisoners in a satchel in a pile of sand; the other had been carried to the building by Guthrie. Supt. Murray made a test of the dynamite and found that it was of a highly explosive nature, in fact the most powerful of its kind in commercial use.

He took half a pound of it to a lot in East Seventy-ninth street between First avenue and Exterior street, where excavations are being made for a new building. Several holes were drilled into a boulder weighing more than two tons and the dynamite inserted. The charge blew the rock into smithereens. Supt. Murray thought that if the package brought to the building had been exploded it would have wrecked every building in the neighborhood.

The explosive, Mr. Murray said, is of a brand used largely in the West and is not often seen here. This caused some of the sleuths on the case to believe that the stuff was sent to Moran and his companion by allies in Chicago or some other Western city to prevent its being traced.

The explosive is known as nitro-powder dynamite. Attached to the package which was carried to the building was a long fuse and a cap. Dynamite here is almost invariably exploded by a battery through a copper wire.

There was much speculation yesterday as to the source of the tip which led to the arrests. There was a story that a woman who had overheard the three prisoners talking had warned the police, but this was untrue. Commissioner Bingham declined to throw any light upon the matter. The Headquarters detectives declared that they knew nothing whatever about the case, except that they were summoned before the Commissioner on Saturday and told to go to the neighborhood of the new building to look for three men who had plotted to blow it up. They had no trouble in picking them out from the description they got.

President McCord of the Post & McCord Company said:

"The first I heard about the matter was on Saturday morning when Thomas T. Hopper came to me and said: 'Look out, there is going to be something doing tonight.' I thought he meant the Thirty-ninth street building, of which he is constructing the foundation and we the iron work. We saw Mr. Eidlitz, counsel for the employers' association, and he immediately got the detectives employed by the organization out on the job. The next I heard about it was when the men were arrested."

Mr. Hopper said that he got his information about the plot from a policeman on post in East Thirty-ninth street. This bluecoat warned him that there was a scheme on foot to blow up one of the Post & McCord buildings, and Mr. Hopper also got the impression that it was the Thirty-ninth street structure that was marked for destruction. He said the policeman told him that orders had been read at the morning rollcall in the East Thirty-fifth street station to be especially vigilant around all buildings in the precinct on which non-union ironworkers were employed.

## *WON'T INSURE IN MISSOURI.*

**Mutual Reserve and Bankers of New York and Others Withdraw.**

JEFFERSON CITY, Mo., Feb. 26. State Superintendent of Insurance Vandiver to-day received a letter from Vice-President Eldridge of the Mutual Reserve Life Insurance Company of New York, stating that that company would withdraw from Missouri March 1, the date of the expiration of its present license.

The letter severely criticises the policy of the Missouri Insurance Department. For several weeks Supt. Vandiver has been insisting that the Mutual Reserve Company submit to him a detailed statement of its business for the year 1905. This statement has been refused and in his letter Eldridge says he will not submit the statement.

Other insurance companies which have voluntarily withdrawn are the Bankers Life of New York, the Cosmopolitan Life of Freeport, Ill., and the Northwestern Life of Minneapolis.





**Suicide $15,000 Short.**

ST. LOUIS, Feb. 26.—An expert accountant's examination of the books of Allen C. Bates, secretary of the Mississippi Valley Elevator and Grain Company, who shot himself and died almost instantly February 14, has revealed a shortage of $15,000.

"Mr. Bates was in sole charge of the finances of the company," said President Sebasian to-day, "and he handled something like $2,000,000 a year and always pocketed the rebates due the firm."

The shortage reported dates back to the inception of Bates's employment as secretary of the company.